political dialogue and economic relations. The- two countries have institutionalised periodic political consultations as well as economic and trade cooperation through a Joint Economic Commission. EAM's visit to Rome on 11th and 12th January 2000 has resulted in an enhanced understanding of India's concerns including developments in the neighbourhood, cross-border and International terrorism, drug trafficking, disarmament and security related issues.

Statement

Ongoing bilateral projects in which Italian assistance has been received

1. High-Tech Vocational Training Centre, Delhi 2. Centre for Treatment of Spinal Injuries, New Delhi 3. Health Unit at Delek Hospital, Dharamsala 4. Educational Audio-Visual cum Training Centre, Calcutta	The exact amount of aid received for the projects during the last two years cannot be quantified as these are technical cooperation grant projects, funds for which do not pass through the Government of India's Budget.

Demand of Hijackers and role Played by Taliban Government

*14. SHRI AMAR SINGH: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) what is the number of official deputed at Kandahar for negotiating with the hijackers of I.A.C. flight No. 814;

(b) what was the original demand of the hijackers and role played by Taliban Government in reaching out the final settlement in this regard; and

(c) in what circumstances, he had to accompany the militants who were sought to be released in exchange of the hostages?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI JASWANT SINGH): (a) to (c) A team of officials drawn from the relevant Ministries was sent to Kandahar to handle the situation that had emerged following the arrival at Kandahar airport of the hijacked Indian Airlines flight IC-814. The first formal demand made by the hijackers to our officials in Kandahar was the release of the terrorist Masood Azhar. In exchange, they offered a graduated apporach, the release of 10 Indians and 5 foreign hostages. They also indicated that they may release a few other passengers but only in accordance with their own choice. Our team of officials, upon instructions from the Government, declined to consider this offer, suggesting instead that there must first be a full definition of all their demands. This was, at first, refused by the hijackers. After protracted discussions, however, the hijackers then demanded the release of 36 terrorists in our custody, the coffin of Sajad Afghani and a sum of US $ 200 million.

The Taliban authorities, while adopting an attitude of correct facilitators, consitently had their sysmpathies with the hijackers and their other supporters.

External Affairs Minister decided to go to Kandahar so as to ensure that the termination of the hijacking, the smooth release and safe return of passengers and crew took palce without any last minute hitch, also that should need arise, prompt decisions could be taken on the spot. External Affairs Minister's presence in Kandahar, and on

board the aircraft on which they returned home, provided solace to all the released passengers who had been held hostage for over a week. His travel on the same aircraft as the three terrorist was solely on account of logistical compulsion brought about by the limited infrastructure facilities at Kandahar airport, and its incapacity to handle any more aircraft simultaneously.

Interest on delayed Payment

*15. SHRI P. PRABHAKAR REDDY: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that the Interest on delayed payments to the Small Scale and Ancillary Industrial Undertaking Act was enacted in 1993;

(b) if so, the purposes of the Act and whether the same were fully achieved;

(c) whether it is also a fact that the Act was further amended in 1998 to provide for the setting up of State Level Councils and if so, the purposes thereof;

(d) whether the aforesaid councils have actually been set up and if not, the reasons therefor; and

(e) what steps are contemplated to safeguard the interests of the Small Scale Industries?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SMT. VASUNDHARA RAJE): (a) Yes, Sir.

(b) The main purpose of this Act is to ensure payments to the SSI Units in time. This purpose has been partially achieved.

(c) Yes, Sir. The Act was further amended in 1998. One of the amendments provided for the setting up of State Level Industry Facilitation Councils (IFCs). The main purpose of this provision is to save the SSI Units from the botheration of instituting civil suits to